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MONTANA LEGISLATIVE HISTORY

Chapter 307 19 93

Bill H 355 S _____ Original bill & history ____C

H. Committee on Human Services & Aging		S. Committee on Business & Industry	
Hearing Date(s) Feb 05	✓C	Hearing Date(s) Mar 25	✓C
Feb 12	✓C	_____	____C
_____	____C	_____	____C
_____	____C	_____	____C
Date Out Feb 15	✓C	Mar 26	✓C

Did this bill originate in an interim committee? ____Yes ____No

Committee _____ Report _____

HB 355 INTRODUCED BY HARPER, ET AL.

REQUIRE POSTING OF PRICES OF 20 TOP-SELLING PRESCRIPTION DRUGS BY LICENSED PHARMACY

1/26	INTRODUCED		
1/26	REFERRED TO BUSINESS & ECONOMIC DEVELOPMENT		
1/26	FIRST READING		
1/26	FISCAL NOTE REQUESTED		
1/27	REREFERRED TO HUMAN SERVICES & AGING		
1/29	FISCAL NOTE RECEIVED		
1/29	FISCAL NOTE PRINTED		
2/05	HEARING		
2/19	COMMITTEE REPORT—BILL PASSED AS AMENDED		
2/20	2ND READING PASSED	86	9
2/23	3RD READING PASSED	83	13
	TRANSMITTED TO SENATE		
3/01	FIRST READING		
3/01	REFERRED TO BUSINESS & INDUSTRY		
3/25	HEARING		
3/26	COMMITTEE REPORT—BILL CONCURRED		
3/27	2ND READING CONCURRED	44	3
3/29	3RD READING CONCURRED	41	7
	RETURNED TO HOUSE		
4/06	SIGNED BY SPEAKER		
4/07	SIGNED BY PRESIDENT		
4/08	TRANSMITTED TO GOVERNOR		
4/12	SIGNED BY GOVERNOR		
	CHAPTER NUMBER 307		
	EFFECTIVE DATE: 10/01/93		

HB 356 INTRODUCED BY GILBERT

CLARIFY PUBLIC SERVICE COMMISSION AUTHORITY OVER CARRIER FITNESS AND COMPLAINTS

BY REQUEST OF PUBLIC SERVICE COMMISSION

1/26	INTRODUCED		
1/26	REFERRED TO HIGHWAYS & TRANSPORTATION		
1/26	FIRST READING		
2/05	HEARING		
2/06	COMMITTEE REPORT—BILL PASSED		
2/09	2ND READING PASSED	97	0
2/13	3RD READING PASSED	97	0
	TRANSMITTED TO SENATE		
2/16	FIRST READING		
2/16	REFERRED TO BUSINESS & INDUSTRY		
3/05	HEARING		
3/10	COMMITTEE REPORT—BILL CONCURRED		
3/11	2ND READING CONCURRED	48	0
3/12	3RD READING CONCURRED	47	1
	RETURNED TO HOUSE		
3/16	SIGNED BY SPEAKER		
3/18	SIGNED BY PRESIDENT		
3/20	TRANSMITTED TO GOVERNOR		
3/24	SIGNED BY GOVERNOR		
	CHAPTER NUMBER 156		
	EFFECTIVE DATE: 03/24/93		

practice of optometry; revises the meeting requirements of the board; requires that the licensure examination be conducted by the National Board of Examiners in Optometry; revises qualification requirements, reciprocity, and continuing education requirements for the practice of optometry; and revises the disciplinary authority of the board over holders of certificates of registration.

Optometry has changed tremendously in its techniques in the last few years. As a result, the board has recommended the requirement of twelve hours of continuing education for all licensed optometrists.

Proponents' Testimony:

Dr. Paul Kathrein, Board of Examiners in Optometry, said the board is in unanimous agreement on the bill, but is concerned that lines 1 through 4, page 8, section 6, which addresses examinations, have been stricken from the bill. The National Board of Examiners in Optometry has two main parts to the examination. There is a written portion, and a clinical portion. If the written portion is eliminated, half of the examination is eliminated. The board recommends an amendment to SB 209, reinstating lines 1 through 4, on page 8, section 6.

Opponents' Testimony:

None

Informational Testimony:

None

Questions From Committee Members and Responses:

None

Closing by Sponsor:

SEN. CRIPPEN closed.

HEARING ON HB 355

Opening Statement by Sponsor:

REP. HAL HARPER, House District 44, Helena, said HB 355 is a bill that would require the monthly posting of the twenty top-selling prescription drugs prices, as a condition of licensure. The cost of prescription drugs has been rising rapidly. There is wide price discrepancy among brand names for generic drugs between pharmacies that sell these drugs.

Proponents' Testimony:

Roger Scott, Retired, Helena. Written testimony. **EXHIBIT 1.**

Marion Hellstern, Treasurer, Montana Senior Citizens Association (MSCA), Hinsdale, said the association believes that prescription drug prices should be posted in pharmacies the same way as other consumer commodities. Posting of prices would allow consumers to be more informed and heighten their awareness of price differences from pharmacy to pharmacy. Written testimony. **EXHIBIT 2.**

Doris Forkin, Secretary, Montana Senior Citizens Association. Written testimony. **EXHIBIT 3.**

Ethel Bender, President, Montana Senior Citizens Association, District 3, Miles City. Written testimony. **EXHIBIT 4.**

Lloyd Anderson, President, Montana Senior Citizens Association, District 8. Written testimony. **EXHIBIT 5.**

Elsie Lee, Member, Montana Senior Citizens Association, District 5. Written testimony. **EXHIBIT 6.**

Alyce Miller, Montana Senior Citizens Association, District 7. Written testimony. **EXHIBIT 7.**

Margaret Fleming, Member, Board of Directors, Montana Senior Citizens Association, Butte, said in the past, MSCA tried to have prescriptions posted without seeking legislation, so senior citizens could do comparison shopping. Many young citizens also use prescription drugs, and would benefit from this legislation. Greed has become excessive. A survey taken a few years ago, stated for every dollar spent on a drug from a pharmacy, sixty-five cents goes to the manufacturer, five cents goes to the wholesaler, and thirty cents goes to the pharmacy. MSCA has not been able to convince pharmacies to post prescription drug prices.
HB 355 mandates posting the prices of the twenty top-selling drugs. **Ms. Fleming** urged the committee to pass HB 355.

Alice Campbell, Board Member, Montana Coalition for Nursing Home Reform, Missoula. Written testimony. **EXHIBIT 8.**

Vern Bertelson, Montana Legacy Legislature (MLL), said MLL supports HB 355. HB 355 will give the consumer an informed choice of where they will purchase their prescription drugs.

Chet Kinsey, Montana Low Income Coalition (MLIC), said MLIC supports HB 355.

Jim Meldrum, Montana Independent Living Project, Helena. Written testimony. **EXHIBIT 9.**

Melissa Case, Montana Nursing Home Coalition (MNHC), said MNHC supports HB 355.

Ed Sheehy, Local Chapter, National Association of Retired Federal Employees (NARFE) said NARFE supports HB 355.

Sharon Hoff, Montana Catholic Conference (MCC) said MCC supports HB 355.

Elmer Fauth, Montana Senior Citizens Association, said prescription drugs have become a runaway gold mine for pharmaceutical companies. The difference in prices of the same prescription drug, in the same town, is evidence of greed. Pass HB 355 and help stop this greedy runaway gold mine.

Opponents' Testimony:

Mark Eichler, President, Montana State Pharmaceutical Association (MSPA), said MSPA doesn't oppose HB 355 on its merits of high prescription prices. HB 355 doesn't address the issue of cost containment of drugs. Upon request, pharmacists will give the consumer the price of any prescription drug. MSPA doesn't feel it is in the best interest of a consumer to go to multiple pharmacies for their prescription drug. When a consumer purchases three or four different prescription drugs from three or four different pharmacies, the pharmacists cannot monitor the drugs' effect on the individual. MSPA opposes HB 355.

Bonnie Tippy, Executive Director, Montana State Pharmaceutical Association (MSPA). Written testimony. **EXHIBIT 10.**

Informational Testimony:

None

Questions From Committee Members and Responses:

REP. MOLNAR referred to **Ms. Tippy's** testimony that the problem with posting drug prices would be the prices change so fast, and there are so many different types of drugs the board would soon become obsolete. **REP. MOLNAR** asked **Ms. Tippy** if her suggestion that the Governor's Office on Aging perform a monthly survey of the cost of the top-selling prescription drugs, and report the results to the senior citizens, would result in even more obsolete prices. **Ms. Tippy** said there would be a problem with some of the prices being obsolete.

REP. BOHLINGER asked **Ms. Tippy** if it would be better to have the senior community create a list of their twenty most frequently used drugs and have those prices posted. **Ms. Tippy** said the prices would still change on a frequent basis. Pharmacists would still be required to post the prices monthly or lose their licensure. No other health care provider is threatened with license revocation or suspension if the cost of an examination or

other product isn't posted.

REP. BOHLINGER asked **REP. HARPER** if he could establish the stability of a price list for the twenty top-selling prescription drugs. **REP. HARPER** said a price list for the twenty top-selling prescription drugs would help not only the senior citizens, but all consumers. All pharmacists would have to do is check their computers for the drugs and the prices. Pharmacists do not lose their licenses because someone files a complaint. It only comes into play when their licenses are up for renewal once a year.

REP. SQUIRES referred to the testimony that buying several different drugs at several different pharmacies could result in dangerous reaction between the drugs because the pharmacists wouldn't be able to counsel the individual. **REP. SQUIRES** asked **Roger Scott** if this would happen in the senior community. **Mr. Scott** said most senior citizens have a doctor who would prescribe the medicine they are taking. It shouldn't matter how many pharmacies a consumer goes to because the drugs are all being prescribed by the same doctor.

REP. DOWELL asked **Roger Scott** if consumers usually buy their prescription drugs at the same pharmacy or do they occasionally go to different pharmacies for different prescriptions. **Mr. Scott** said he could only speak for himself and he usually goes to the same pharmacy. **Mr. Scott** added if he had access to prices he may do some comparative shopping.

REP. BERGMAN asked **Mr. Scott** if it was common practice for a pharmacy to be high priced on one drug and low priced on another drug. **Mr. Scott** replied that could be the case. When certain drugs are in demand the price goes up. It is usually the manufacturers that increase the prices.

REP. RUSSELL asked **REP. HARPER** how it was decided to have the permissive penalty for revocation of license instead of a monetary penalty. **REP. HARPER** said the purpose of the bill was not to start a battle between the senior citizens or any other group and the pharmacists. The purpose of the bill was to try to do something about the high prices the senior citizens have to pay for prescription drugs. The penalty was not intended to be that punitive. A penalty is needed in order to get the attention of the parties that control the prices of prescription drugs.

REP. SIMON said his wife works in the health care field and knows of many occasions when the physician has asked patients to bring in all medications they are currently taking. Some senior citizens may be going to more than one physician, and taking a variety of medications that don't work well together. **REP. SIMON** said he is concerned about the potential for people putting an emphasis on the price they are paying for drugs, and buying them at three or four different pharmacies with prescriptions written by different physicians. The mixing of drugs without knowing the affects they will have is dangerous. **REP. SIMON** said he

sympathized with the fact that prescription drugs are expensive but is concerned about the health of people that have more than one physician, are taking drugs prescribed by them, and buying them at several different pharmacies. **REP. SIMON** asked **REP. HARPER** how that issue should be addressed. **REP. HARPER** said he didn't think the issue could be addressed in the bill and didn't have a solution.

REP. BOHLINGER asked **REP. HARPER** if he thought posting drug prices would make the pharmacists more competitive, and have a leveling effect on the prices. **REP. HARPER** said he thought it would have a tendency to level out the high prices and would have a beneficial effect.

CHAIRMAN BOHARSKI asked **REP. HARPER** to clarify if there is potential for revocation of pharmacists' licenses. **REP. HARPER** said the renewal of a license can be denied. The license can also be suspended or revoked before the time for renewal. **CHAIRMAN BOHARSKI** said drugs are sold in various dosages and units. He asked **REP. HARPER** how a list could possibly cover all the different dosages and units of a drug. **REP. HARPER** said grocery stores do it all the time by listing the price per unit. Pharmacies should not be the only retail outlet that is exempt.

CHAIRMAN BOHARSKI referred to testimony about pharmacists refusing to give drug prices to people over the phone. **REP. BOHARSKI** asked **Bonnie Tippy** how the board would respond to such a complaint. **Ms. Tippy** said she isn't privy to the complaints that are filed with the state board. **Ms. Tippy** said she is very surprised that pharmacists would refuse to give drug prices over the phone. They do it every day of the week. **CHAIRMAN BOHARSKI** asked **Ms. Tippy** if pharmacists are required by law to give drug price information out. **Ms. Tippy** said she didn't believe pharmacists were required by law to give drug prices to consumers.

Closing by Sponsor:

REP. HARPER said HB 355 is not a price control bill, it is a user freedom of information bill. The confusion that abounds when it comes to pricing, and the possibility of complaints being filed with this legislation, highlights the problems everyone faces when they try to buy some of the high priced prescription drugs. The Legislature cannot control the price of drugs, but this bill will heighten the consumers' awareness of the prices. **REP. HARPER** asked the committee to give favorable consideration to HB 355.

HEARING ON HB 315

Opening Statement by Sponsor:

REP. BRUCE SIMON, House District 91, Billings, said in 1987 there

HOUSE OF REPRESENTATIVES

HUMAN SERVICES AND AGING COMMITTEE

ROLL CALL DATE 2-5-93

NAME	PRESENT	ABSENT	EXCUSED
REP. BILL BOHARSKI, CHAIRMAN	✓		
REP. BRUCE SIMON, VICE CHAIRMAN	✓		
REP. STELLA JEAN HANSEN, V. CHAIR	✓		
REP. BEVERLY BARNHART	✓		
REP. ELLEN BERGMAN	✓		
REP. JOHN BOHLINGER	✓		
REP. TIM DOWELL	✓		
REP. DUANE GRIMES	✓		
REP. BRAD MOLNAR	✓		
REP. TOM NELSON	✓		
REP. SHEILA RICE	✓		
REP. ANGELA RUSSELL	✓		
REP. TIM SAYLES	✓		
REP. LIZ SMITH	✓		
REP. CAROLYN SQUIRES	✓		
REP. BILL STRIZICH	✓		

EXHIBIT 1
DATE 2-5-93
HB 355

2/5/93
HB 355
Rm 104 3PM

Chairman:

Members of the House Human Services:

My name is Roger Scott I'm retired & have arthritis My wife receives the prescription drug Premarin (Estrogen Supplement) & SYNTHROID. My youngest is now a student at MSU - had cancer at age 18. We are familiar with the costs of drugs. The cost of Premarin has tripled since my wife first had it prescribed. There is no generic version as far as we can determine. My wife now gets a generic version of SYNTHROID from NATIONAL Rx Services, Inc. of Florida at ½ the cost she PAID locally.

Many of you have loved ones or friends that are on prescription drugs for asthritis, blood pressure medication, or A pain killer, etc., that have encountered extraordinary price increases in the last few years. These price increases have not been across the BOARD — but primarily only to the

more "popularly" used prescription drugs. From 1995 to 1991 overall consumer prices grew 21% - prescription drugs grew 66% - Top selling prescription medicines grew 79%

Pharmaceutical firms have argued that such increases are necessary to maintain productive research. Yet these same "popular" prescription drugs cost dramatically less in Canada, Mexico and Europe.

Skilled "detailers" paid by drug companies have been the primary source of info to the nations 550,000 doctors. Typically doctors prescribe expensive brand name drugs rather than cheaper versions that do just as well.

This bill is a first step. It will not correct the price abuse, but it will help the buyer to be informed regarding the less expensive generic

versions, as well as, facilitate shopping around for brand-name prescription drugs where the generic version is available. It may even encourage Doctors to be more cautious in writing prescriptions and pharmacist better informed regarding generic versions that should be available to customers.

EXHIBIT 1
DATE 2/5/93
HB 355

EXHIBIT 2
DATE 2-5-93
HB 355

Montana Senior Citizens Assn., Inc.

WITH AFFILIATED CHAPTERS THROUGHOUT THE STATE

P.O. BOX 423 - HELENA, MONTANA 59624

(406) 443-5341

Mr. Chairman and Members of the Committee:

My name is Marion Hellstern, from Hinsdale. I am Treasurer of the Montana Senior Citizens Association and the director representing Phillips, Valley, Roosevelt, Daniels and Sheridan counties.

The Montana Senior Citizens Association believes that prescription drug prices should be posted in pharmacies just like any other consumer commodity, such as hardware, food, and furniture. Posting prices would enable consumers to be more informed and heighten their awareness that prices vary from pharmacy to pharmacy, often times significantly.

Prescription drugs are a big business in the United States. $28.7 billion were spent on prescription drugs in 1985. $71 billion in 1991. It is projected that by the year 2000 Americans will be spending $102.6 billion. People over 60 years old are 16.6% of the population. Yet they bought 40% of the prescription drugs. Prescription drugs are a major item of expenses for older Americans and their ever increasing costs place a burden on their limited incomes. Medicare does not cover prescription drugs and the majority of Medicare beneficiaries do not have insurance that covers drugs.

I would like to give a little background on the pharmaceutical industry. Between 1980 and 1990, general inflation increased 58%. During the same period, prescription drugs rose by 152%, three times greater. The average price of prescription drugs in 1980 was $20. It rose to $53.76 in 1991. If prescription drug inflation continues to increase the average drug will cost $77.06 in 1995 and $120.88 in 2000, a 600% increase. The drug industry has a profit margin of 15.5%, three times greater than the average Fortune 500 company.

I realize that our local pharmacies are not enjoying these same excessive profits. However, we must take steps to keep the

prices down. One step in that direction is posting prices. Every other retail business posts prices so that their customers can compare prices. It is no more than right that pharmacists post prices for, at least, the most used drugs. For a "free market" to work, it is imperative that customers have ready access to the prices on items. Those pharmacists who oppose posting prices are, no doubt, strong advocates of a "free market system". Do they want a "free market system" for everybody but themselves.

I urge you to vote for HB 355. Thank you.

Sources:

1989 World Almanac, p. 814.
Worst Pills, Best Pills, published by Public Citizens Health Research Group 1988, pages 7 and 11.
Special Committee on Aging, U.S. Senate, Staff Report, "The Drug Manufacturing Industry: A Prescription for Profits" September 1991.

EXHIBIT
DATE 2-5-93
HB 355

Montana Senior Citizens Assn., Inc.

WITH AFFILIATED CHAPTERS THROUGHOUT THE STATE
P.O. BOX 423 - HELENA, MONTANA 59624

(406) 443-5341

TESTIMONY OF DORIS FORKIN
HEARD BEFORE (H) HUMAN SERVICES & AGING
FEBRUARY 5, 1993

A few years back, a prescription drug campaign was initiated in the Flathead. This was to be a pilot project for the state. We did not know, and the pharmacists would not disclose, what the most commonly prescribed drugs were. We had to begin at square one and compile our own list by surveying our members as to what prescriptions they were using, where they were purchased, and the cost. It soon became apparent that there was a wide variation in individual drug prices from pharmacy to pharmacy. When we had compiled a list of commonly used drugs, we attempted to obtain prices for those drugs from all of the pharmacies in the area. Many of the druggists refused to cooperate, saying they were too busy or the prices changed too rapidly, most frequently in an upward direction.

We also approached the pharmacists on the idea of granting discounts to senior citizens. We suggested a 20% discount. A few were will to give 10%.

Since there was little cooperation from the druggists, we urged our

members to comparison shop. This would be much easier to accomplish if prices were posted.

As it now stands, many times people do not ask the price in advance, and when they receive their bill, they are overwhelmed.

EXHIBIT 4
DATE 2-5-93
HB 355

Montana Senior Citizens Assn., Inc.

WITH AFFILIATED CHAPTERS THROUGHOUT THE STATE
P.O. BOX 423 - HELENA, MONTANA 59624
(406) 443-5341

Mr. Chairman and Members of the Committee

I am Ethel Bender from Miles City, President of the Montana Senior Citizens Association District 3 and co-chair of the District's Prescription Drug Survey.

I wish to speak about the human side of the high cost of prescription drugs.

Our district conducted a prescription drug price survey in April 1992. We asked pharmacies in Miles City, Forsyth, Baker, Broadus and Jordan for the prices of 18 commonly used prescription drugs by seniors.

When you participate in a survey, as I did, you cannot help but become aware of the tragic consequences of the ever escalating prices. Here are some statistics our survey unveiled:

(1) Nearly one-third of those surveyed spent $100 per month on prescription drugs; some spend more.

(2) Nearly three-fourths have incomes of less than $15,000.

(3) In nearly one in five household, family members have postponed and cut the dosage of prescription drugs because of lack of money.

Is it any wonder that 90% said that they would like to see pharmacies post prices?

The pain and suffering caused by this situation is dramatically illustrated by the article that appeared in the Miles City Star May 1, 1992. (HOLD UP THE PAPER) This article states that Betty Mann, age 73, spends around $400 per month on prescriptions ordered by her doctor for a stomach ailment and high blood pressure. Her income is $600 a month. It takes some kind of juggling for her to survive. Mrs. Mann was so strapped, she was paying for her medicine with credit cards. She said she is having to file bankruptcy on the credit cards.

Even worse is the situation of Eunice Schinderle, 63, whose income is around $500 a month, and who spends $300-$400 a month for

medicine. Mrs. Schinderle said her doctor does everything he can to help with costs including giving her free samples of the prescription drugs when he has them.

An important fact that we uncovered by our survey was the wide variation in prescription drug prices. For example, in Miles City, one drug cost $30 for the same quantity at one pharmacy than at the two others. Do you think that customers were aware they were paying $30 more?

It is clear that not only senior citizens, but others, will benefit by pharmacies posting their prices on the most commonly used prescription drugs. This will allow consumers to comparison shop for prescription drugs the same as they do for other necessities of life.

Thank you and I will appreciate your support for House Bill 355.

EXHIBIT
DATE 2-5-93
HB 355

Montana Senior Citizens Assn., Inc.

WITH AFFILIATED CHAPTERS THROUGHOUT THE STATE

P.O. BOX 423 - HELENA, MONTANA 59624

(406) 443-5341

TESTIMONY OF LLOYD ANDERSON
HEARD BEFORE (H) HUMAN SERVICES & AGING
FEBRUARY 5, 1993

Mr. Chairman and members of the committee, my name is Lloyd Anderson. I am president of district 8 for the Montana Senior Citizen Association. I would like to talk about why I am supporting HB 355.

About two years ago, I was having a hard time getting over an illness. Unable to get an appointment with my regular doctor, I made an appointment with a new doctor. The new doctor looked over my medicines and found I was taking a combination of drugs that were dangerous to mix together. After, I was informed by the doctor of the dangerous combination I was taking. I asked my pharmacist about the problem, and he offered no explanation of why he did not inform me of this dangerous mix.

Shortly after this episode, the Helena chapter of MSCA began our prescription drug campaign. I found I could save $15.00 on one prescription by changing pharmacies. After discovering the price differences between pharmacies in Helena, we asked the pharmacies to post their prices. I personally asked the pharmacist at Gibsons six times

to post his prices. After he gave me the run around five times, the sixth time he said "NO."

My experience is not the exception but the rule. The members in Helena asked every pharmacy in town to post their prices on the twenty most commonly prescribed drugs they sell, and all said no.

Thank you Mr. Chairman and members of the Committee.

EXHIBIT 6
DATE 2-5-93
HB 355

Montana Senior Citizens Assn., Inc.

WITH AFFILIATED CHAPTERS THROUGHOUT THE STATE

P.O. BOX 423 - HELENA, MONTANA 59624

(406) 443-5341

TESTIMONY OF ELSIE LEE
HEARD BEFORE (H) HUMAN SERVICES & AGING
FEBRUARY 5, 1993

Mr. Chairman and members of the committee, my name is Elsie Lee. I am the MSCA board member for district 5. I along with my district stand in support of HB 355.

The experience of district 5 has been similar to our other chapters throughout the state. We have asked the pharmacies in our district to post the prices of the twenty most commonly prescribed drugs. The response we received has been one of inaction. One excuse after another of why they would not comply with our request. One rebuttal to our request is " call a pharmacy and ask for the price". MSCA members throughout the state have used this option and have found at times the price that were quoted on the phone was different than the actual cost of the real prescription. The price difference most often was caused by quoting the price of the drug at a lower dosage than prescribed. For some seniors with mobility problems the posting of prices would allow friends and family members to comparison shop for them while they were running their own errands.

I would like to thank you for your time and interest.

EXHIBIT 7
DATE 2-5-93
HB 355

Montana Senior Citizens Assn., Inc.

WITH AFFILIATED CHAPTERS THROUGHOUT THE STATE

P.O. BOX 423 - HELENA, MONTANA 59624

(406) 443-5341

Mr. Chairman and Members of the Committee

I am Alyce Miller from Richey and board representative from the Montana Senior Citizens Association District 2.

I would like to discuss my area's experiences in trying to get pharmacies to post prices. In 1988, District 2 which includes the towns of Sidney, Fairview, Savage, Circle, Richey, Terry, Wibaux and Glendive conducted a prescription price survey. The survey comprised of two parts. The first part asked participants what drugs they purchased and what their monthly prescription drug costs were. The second part asked the pharmacies for the prices of the mostly commonly used prescriptions according to the survey and about the services they provided.

Since more than 90% of the people who participated in the survey indicated they would like to see prices posted, the committees in Sidney and Glendive met with the local pharmacists and asked them to post prices. The pharmacists in Sidney readily agreed. They had no problems with the concept and posted prices. The only town who has done so.

Glendive pharmacists brought up many objections; these same objections have been heard by MSCA members from their pharmacists in the state.

For example: posting prices is unprofessional. I ask what is so unprofessional. Prices are posted for all other items at the drug store.

Another objection: the pharmacists claim that prescription drugs are not commodities like meat and vegetables. The pharmacists like to give counsel to their customers. It's true that pharmacists give advice to their customers. They <u>all</u> give advice and counsel. They all provide the same services. The only differences between one pharmacy and another are prices. And prices do vary sometimes very significantly as we heard in Miles City.

Recently, I decided to try again and asked my pharmacist if he would post prices. I suggested that people would be able to compare prices and be better consumers. He said, "Absolutely not, If they want to know the price of any drug, they can call and we'll be glad to give the price but not to compare prices." I said that many seniors can't afford the high prices and can't buy the drugs they need. He went on to say, "We don't need their trade if they have to shop around where the prices are cheaper." How professional is this attitude?

I know that the drug store business is very competitive. Pharmacists are willing to drop prices for some customers who do shop around. When people are sick, they aren't up to shopping around. They should be able to compare prices informally when they are out shopping for other items, just the way we do for other necessities.

I urge you to pass HB 355. Thank you.

H.B. 355

Testimony for Feb. 5

EXHIBIT 8
DATE 2-5-93
HB 355

Chairman Boharski and members of the committee. My name is Alice Campbell. I am a member of the board of the Montana Coalition for Nursing Home Reform and I reside in Missoula.

I am here to speak in favor of HB 355, the prescription drug bill. Prescription drugs are one of the largest items of expense in senior budgets, so it is important that we be able to shop for the best prices on those prescriptions. When I shop at a grocery store, a store in the mall or any retail outlet, the items have price tags so I can decide which I can afford to buy. Even in drug stores or pharmacies all items except prescription drugs have visible price labels. A few pharmacies do list a number of the most prevalent used prescription drugs and their cost. Seniors used to buying at their favorite pharmacy may be reluctant to question the cost of their prescriptions, altho they might save a considerable amountby buying elsewhere. We seniors believe we should be able to shop for the best prices in prescription drugs the same as we do for groceries. We don't believe it unreasonable to ask that pharmacies post a list with prices of the 20 most prevalent drugs used by seniors.

EXHIBIT 9
DATE 2-5-93
HB 355

February 4, 1993

Member of the Committee. I am James Meldrum. I represent Montana Independent Living Project located in Helena. We serve the southwestern area of Montana. We support HB 355 'posting monthly of twenty selling prescriptive drugs.'

Many of the about 35,000 Montanans who have disabilities are on very limited incomes. We find they must of necessity price shop for their prescriptive drugs. Some of the prescriptive regiments may cost as much as $350 or more each month.

The language in this bill will require the pharmacy to display the cost, and alternative generic names and costs, thus helping the individual who has a disability to achieve the proper medication for the best price possible.

This bill also allows the person with a disability to be more independent, as they can shop the pharmacies, and then make their choices where they desire to purchase the prescription.

We would ask for your support of this bill

Thank You

EXHIBIT 10
DATE 2-5-93
HB 355

TESTIMONY
HOUSE BILL 355

Submitted by The Montana State Pharmaceutical Association
February 5, 1993

Contact: Bonnie Tippy, Executive Director
449-3843

While it is always difficult to oppose legislation which is proposed by senior citizens, the Montana State Pharmaceutical Association, after careful review and study, must strongly urge that this committee not pass HB355.

The problems with the bill draft itself are numerous:

1) WHOSE TOP 20? The bill says that the pharmacy must post a listing of the 20 top selling drugs. What does this mean? Is it by city, by state, by region, country? Is it by dollar volume, number of prescriptions dispensed, by year to date units dispensed? Since this is a senior citizens bill, one would think that many of the top 20 drugs dispensed would be maintenance drugs that seniors use. In fact, very few top 20 drugs are maintenance drugs, so this bill simply does not address the needs. The way it is drafted, it would be up to each individual pharmacy to choose the top 20 as they deemed proper.

2) WHAT QUANTITIES OF THE DRUGS ARE TO BE POSTED? Is it a month's supply, 30's, 100's? What is a months supply? One person may take 2/day which would equal 60 per month, another person may take 4/day, which would be 120 per month.

3) WHICH BRANDS OF WHICH DRUGS? Several drugs come in more than one brand, which is why consumers can get confused. What in this bill guarantees that pharmacies even all carry the same brand of a particular drug, let alone that the posting could possible be consistent from pharmacy to pharmacy?

4) MISCONCEPTIONS ON PRICING AND QUANTITY. Consumers assume that if 50 of a particular drug costs 50.00, then 100 of a particular drug will cost $100. This is not true, and will vary by pharmacy, i.e. Pharmacy A charges 20.00 for 50 of Gluetrol (for diabetes). Pharmacy B charges 22.00 for 50. Pharmacy A charges $39.00 for 100 and pharmacy B charges $38.00 for 100. The consumers assumption would be that the pharmacy that charges $20 for 50 would be less for 100 than pharmacy B, which charges $22.00, when just the opposite is true.

5) HOW ARE THE DRUGS AND PRICES TO BE POSTED? On a readerboard, on a regular 81/2x11? A sign?

6) MONTHLY POSTING WILL NOT HELP. Because of pharmaceutical manufacturers out of control price raising, a monthly posting will often be wrong. The only way to be accurate is to post daily, and do we really want to burden pharmacists with this?

7) IS THE CRIME WORTH THE PUNISHMENT? No other health care provider can have a license suspended or pulled for failing to list the cost of their services. This is a dragonian measure. Here are some examples: Does an optometrist have to list the cost of an exam and eyeglasses? Does an orthopedic surgeon have to list the cost of a hip replacement? Does a dentist have to post the cost of a porcelain crown? Must any provider be subject to license revocation for a failure to physically post prices? No, and pharmacists should not have to either.

8) THE COMPLAINT REVIEW PROCESS AND NEED FOR A FISCAL NOTE. The bill says that the Board can suspend or revoke a license or otherwise punish a pharmacy for failure to post prices, yet the fiscal note does not reflect the increase in State Board activity. With all of the confusion over "top 20" that I have already discussed, it is highly likely that the Board will receive numerous complaints on a continuous basis. Who will have to pay for these complaints and their review process? The pharmacists, through increased licensure fees. The fiscal note should reflect that the Department of Commerce will have increased costs for the Board of Pharmacy.

9) The Board of Pharmacy is given the responsibility for all of this, but no rulemaking authority.

10) THIS BILL IS DANGEROUS. 15% of current hospital admissions are due to adverse drug reactions from under or overutilization, mis-medication, etc. This bill encourages senior citizens to buy one drug at Shopko, another at Bergum, and still another at Gibsons. This means that no one pharmacy has a record of all of the medications that a senior citizen is taking, and cannot accurately review their drug profile. Under a law that Congress passed in 1990 and that the Montana Legislature codified in 1991, pharmacists must now keep records on every patients and counsel them regarding their medications. This is very hard to do if seniors are not utilizing just one pharmacy. Even one intervention that is performed by a pharmacist that prevents a complication leading to a hospital visit would potentially save thousands of dollars and much potential suffering.

Sponsors of this bill should be able to show how this bill will enhance quality of care to senior citizens, how it will save money on prescriptions, and how failure to post pharmaceutical prices is justification for pulling a license. All pharmacies currently provide prices at the counter, by phone, and prices to all segments of the population. It is important to remember that community pharmacy is a very competitive business, and shopping around by phone is very acceptable. One of the chief complaints of the seniors is that they can't get accurate price quotes by phone. With the confusing generic and brand names now used and misconceptons about posted prices, this bill

EXHIBIT 10
DATE 2/5/93
HB 355

would create even more confusion than already exists.

WHAT ARE THE SOLUTIONS? This bill being introduced shows that there are problems with seniors obtaining information about their medications. What are some potential solutions to the problems? We would offer the idea of a committee bill which would require that the Governors Office on Aging perform a survey of, say 20 pharmacies per month. This survey could be done by phone, and the Office could ask for very specific drugs, brands, quanities, etc. Then the Office could average out the costs of these drugs and provide a bulletin to Seniors. Seniors could then compare what their local pharmacy is charging to the average costs. The Montana State Pharmaceutical Association would be happy to work with the Governor's Office on Aging to develop an accurate top 20 list of drugs utilized by senior citizens, and would also encourage our members cooperation with the monthly survey.

While our solution does not answer the problem of the high cost of pharmaceuticals, it would provide seniors with accurate and relevant information. The Senate is now considering a Resolution which directly pinpoints the problem of cost where it belongs -- at the feet of the pharmaceuticaal manufacturers and their discriminatory pricing practices. These pricing practices are making the provision of medications at the retail level extremely difficult, and it is time that Congress acted to control the problem.

There is one final point that we would like to make. Yes, drugs are costly, but drugs save lives and enhance quality of life for senior citizens every day. While we recognize the problems with pricing of these products, let us not forget the truly remarkable role that they play in all of our lives.

HOUSE OF REPRESENTATIVES
VISITOR'S REGISTER

Human Services COMMITTEE BILL NO. HB 355

DATE 2/5/93 SPONSOR(S) Rep. Hayne

PLEASE PRINT PLEASE PRINT PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
FORREST FERRIS Miles City			
Bethany A. Warner Weber	R.N. Staff	X	[redacted]
Alice Campbell	MCNHR.	X	
MARK EICHLER	MSPA		X
Larry STIMA	MSCA	X	
HERMAN WITTMAN	NARFE, LEGACY LEG	X	
SHARON HOFF	MT CATH CONFER.	X	
Jennie Crosby	MSCA	X	
Mary Smith	MSCA	X	
[illegible]	MSCA MLC	X	
[illegible]	MILD	X	
[illegible]	Mt. Nurses Assoc.	X	
Cristina Medina	Mt. Low-Income Coalition	X	
[illegible] Campbell	MSCA	X	

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

HOUSE OF REPRESENTATIVES
VISITOR'S REGISTER

Human Services COMMITTEE BILL NO. HB 355

DATE 2/5/93 SPONSOR(S) Rep. Hayne

PLEASE PRINT PLEASE PRINT PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Kate Chokun	MT Womens Lobby	X	
Roger K. Scott	Retires	X	
HARLAND J SINK	177 S C HSSOC	X	
Helen Dale	" "	X	
Ruth E. Sink	" "	X	
Ed Sheehy	Retired Federal Employee	X	
[illegible]	[illegible]	[illegible]	
MARION HELLSTERN	M.S.C.A	X	
Lloyd Anderson	M.S.C.A.	X	
Brian Dyer	MSCA	X	
Alyce Miller	MSCA	X	
Ray Miller	MSCA	X	
Doris Forkin	M S C A	X	
Ethel Rondeau	M S C A	X	

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

Willa Mae Grimes MSCA X
Melissa Case N. C. N. R X

HOUSE OF REPRESENTATIVES
VISITOR'S REGISTER

Human Services COMMITTEE BILL NO. H355

DATE 2-5-93 SPONSOR(S) Rep Harper

PLEASE PRINT PLEASE PRINT PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Verner Bertelsen - Helena	Legacy Legislature	X	
Al Schmitz	NPRC	X	
Ernest O. Redlin Jr.	NPRC		
Roy A Nelson	MSCA Twin Bridges chapter	X	
Ella Nelson	" " "	X	
ED Cadis	MSCA	X	
Elmer Faith	MSCA	X	

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

EXECUTIVE ACTION ON HB 355

Motion: REP. BOHLINGER MOVED HB 355 DO PASS.

Discussion: REP. BOHLINGER presented amendments to HB 355 that strike the language which would put pharmacists licenses in jeopardy. EXHIBIT 6.

CHAIRMAN BOHARSKI asked REP. BOHLINGER if it was his intention to strike all penalties, to which he answered yes. CHAIRMAN BOHARSKI suggested that sections 2 and 3 of the bill be struck. REP. BOHLINGER agreed.

Motion/Vote : REP. BOHLINGER moved to strike sections 2 and 3 of the bill. Voice vote was taken. Motion carried unanimously.

Discussion: REP. SIMON proposed an amendment to exempt hospitals and other health care facilities from posting prescription drug prices. In most cases these pharmacies are not where the general public goes to purchase pharmaceuticals.

CHAIRMAN BOHARSKI asked the committee how it felt about directing the Board of Pharmacy to produce a list of drugs and rules for posting, rather than the committee trying to do it.

REP. DOWELL asked CHAIRMAN BOHARSKI how that could be done. CHAIRMAN BOHARSKI said the legislature would have to create a statement of intent.

REP. SIMON said the Board of Pharmacy could develop a list of the 20 top selling drugs, specify the dosages, and the amount that would be purchased. This list would be standardized in every pharmacy.

CHAIRMAN BOHARSKI said he would visit with the sponsor of the bill and the staff attorney and get the statement of intent for rulemaking authority drafted.

Motion/Vote: REP. BOHLINGER moved to add a statement of intent for rule making authority to HB 355. Voice vote was taken. Motion carried 12 to 4. REPS. HANSEN, MOLNAR, SMITH, and RUSSELL voted no.

Motion/Vote: REP. BOHLINGER MOVED HB 355 DO PASS AS AMENDED. Voice vote was taken. Motion carried 14 to 2. REPS. MOLNAR and SMITH voted no.

EXECUTIVE ACTION ON HB 135

Motion/Vote : REP. BARNHART MOVED TO TABLE HB 135. Voice vote was taken. Motion carried 11 to 5. REPS. BOHARSKI, SIMON, NELSON, MOLNAR, BOHLINGER voted no.

HOUSE OF REPRESENTATIVES

HUMAN SERVICES AND AGING COMMITTEE

ROLL CALL DATE 2-17-93

NAME	PRESENT	ABSENT	EXCUSED
REP. BILL BOHARSKI, CHAIRMAN	✓		
REP. BRUCE SIMON, VICE CHAIRMAN	✓		
REP. STELLA JEAN HANSEN,V. CHAIR	✓		
REP. BEVERLY BARNHART	✓		
REP. ELLEN BERGMAN	✓		
REP. JOHN BOHLINGER	✓		
REP. TIM DOWELL	✓		
REP. DUANE GRIMES	✓		
REP. BRAD MOLNAR	✓		
REP. TOM NELSON	✓		
REP. SHEILA RICE	✓		
REP. ANGELA RUSSELL	✓		
REP. TIM SAYLES	✓		
REP. LIZ SMITH	✓		
REP. CAROLYN SQUIRES	✓		
REP. BILL STRIZICH	✓		

HOUSE STANDING COMMITTEE REPORT

February 19, 1993

Mr. Speaker: We, the committee on Human Services and Aging report that House Bill 355 (first reading copy -- white) do pass as amended.

Signed: Wm E Boharski

Bill Boharski, Chair

And, that such amendments read:

1. Title, line 4.
Following: "AN ACT"
Insert: "REQUIRING THE BOARD OF PHARMACY TO ADOPT A RULE UNDER CERTAIN CIRCUMSTANCES; AND"

2. Title, line 5.
Strike: "THE"
Strike: "EACH"

3. Title, line 6.
Strike: "PHARMACY"
Insert: "PHARMACIES"

4. Title, lines 6 and 7.
Strike: "; PROVIDING" on line 6 through ", MCA" on line 7

5. Page 1.
Following: line 7
Insert: "WHEREAS, rapidly rising costs of prescription drugs are one of today's most serious problems facing persons on fixed or lower incomes; and

WHEREAS, even though prescription drug price increases are dictated by pharmaceutical manufacturers, there are sometimes significant differences in price for the same prescription drug among retail pharmacies; and

WHEREAS, in some instances, the ability to comparison shop for prescription drugs can be helpful to the consumer in choosing a pharmacy to patronize.

Committee Vote:

Statement of Intent

A statement of intent is necessary for this bill because [section 1] requires the board of pharmacy, under certain circumstances, to adopt a rule requiring the listing of certain prescription drugs. The legislature intends that the board of pharmacy make every effort to devise, in consultation with senior citizens, other consumer organizations, and retail pharmacists, a workable and practical system for the listing of prescription drug prices. The list should be based upon standard assumptions as to the quantity and dosage in order to facilitate comparison of prices."

6. Page 1, line 11 through page 4, line 24.
Following: "prices --"
Strike: the remainder of line 11, the remainder of section 1, and sections 2 and 3 in their entirety.
Insert: "adoption of list by rule. If the board of pharmacy finds after a public hearing that the interests of consumers will be furthered by its action, the board shall annually adopt by rule a list of 20 prescription drugs frequently prescribed for outpatient dispensing in Montana. A licensed pharmacy, other than in a hospital or nursing home, that sells prescription drugs shall monthly post its prices for the drugs on the list adopted by the board. The list must show the drugs by brand name and retail price and by generic name and retail price."

-END-

HOUSE OF REPRESENTATIVES

HUMAN SERVICES AND AGING COMMITTEE

ROLL CALL DATE 2/17/93

NAME	PRESENT	ABSENT	EXCUSED
REP. BILL BOHARSKI, CHAIRMAN	✓		
REP. BRUCE SIMON, VICE CHAIRMAN	✓		
REP. STELLA JEAN HANSEN, V. CHAIR	✓		
REP. BEVERLY BARNHART	✓		
REP. ELLEN BERGMAN	✓		
REP. JOHN BOHLINGER	✓		
REP. TIM DOWELL	✓		
REP. DUANE GRIMES	✓		
REP. BRAD MOLNAR	✓		
REP. TOM NELSON	✓		
REP. SHEILA RICE	✓		
REP. ANGELA RUSSELL	✓		
REP. TIM SAYLES	✓		
REP. LIZ SMITH	✓		
REP. CAROLYN SQUIRES	✓		
REP. BILL STRIZICH	✓		

EXHIBIT 6
DATE 2-17-93
HB 355

AMENDMENTS TO HB 355

1. p 3, line 15,
   Strike: all after chapter line 15 through 17
   Insert a "." after chapter

2. p 4, line 7
   Strike: line 7 and upto "or" on line 8

MINUTES

MONTANA SENATE
53rd LEGISLATURE - REGULAR SESSION

COMMITTEE ON BUSINESS & INDUSTRY

Call to Order: By J.D. Lynch, Chair, on March 25, 1993, at 10:00 a.m.

ROLL CALL

Members Present:

Sen. J.D. Lynch, Chair (D)
Sen. Chris Christiaens, Vice Chair (D)
Sen. John Brenden (R)
Sen. Betty Bruski-Maus (D)
Sen. Delwyn Gage (R)
Sen. Tom Hager (R)
Sen. Ethel Harding (R)
Sen. Ed Kennedy (D)
Sen. Terry Klampe (D)
Sen. Francis Koehnke (D)
Sen. Kenneth Mesaros (R)
Sen. Doc Rea (D)
Sen. Bill Wilson (D)

Members Excused: Senator Hager

Members Absent: None.

Staff Present: Bart Campbell, Legislative Council
Kristie Wolter, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing: HB 355, SB 354, SB 430
Executive Action: None.

HEARING ON HB 355

Opening Statement by Sponsor:

Representative Hal Harper, House District 44, stated HB 355 would require pharmacies to post top 20 drugs sold. He stated HB 355 would require the Board of Pharmacy to hold a public hearing and decide if the interests of the consumers would be furthered by the adoption of a rule which would allow them to decide which 20 drugs will be posted. He stated the drugs will only have to be posted in outpatient facilities. Representative Harper stated

hospitals and nursing homes would be excluded from the provisions of HB 422. He stated HB 422 would provide senior citizens with an opportunity to comparison shop for their drugs. He stated every other retail establishment posts its prices for products, so prescription drugs should also be posted. He stated HB 422 was a request and the Board of Pharmacy would determine the specifics of HB 422.

Proponents' Testimony:

Margaret Fleming, Montana Senior Citizens Association, stated HB 422 would allow for the customer to "shop around" for prescription drugs. She stated the senior citizens are not asking for special privileges, they are just asking for the opportunity to comparison shop. She stated the implementation of HB 422 would be easy with the use of a computer data base.

Elmer Fauth, Montana Senior Citizens Association, Great Falls, stated the posting of drug prices is honest and fair for the consumer.

Lloyd Anderson, Montana Senior Citizens Association, Helena, read from prepared testimony in support of HB 422 (Exhibit #1).

Bill Rostad, President, Chapter 107, National Association of Retired Federal Employees, stated his support of HB 422.

Tom Ryan, Montana Senior Citizens Association, Helena, stated his support of HB 422. He stated the cost of drugs was cause for the posting of prices. He stated many senior citizens are on limited budgets and need to be able to comparison shop for their prescription drugs.

Verner Bertelson, Montana Legacy Legislature stated HB 422 would allow for "informed choices" by the consumers.

Christian MacKay, Coordinator, Montanans for Universal Health Care, stated HB 422 would be a cost containment measure for the purchasing of prescription drugs.

Beda Lovett, Montana Medical Association, stated her support of HB 422.

Craig Young, Montana Low Income Coalition, stated his support of HB 422. He stated the low income population would also benefit from the posting drug prices.

Bonnie Tippy, Montana State Pharmaceutical Association, stated her support of HB 422. She stated the association would be proud to help senior citizens.

Dan Shea, private citizen, stated his support of HB 422.

Opponents' Testimony:

None.

Questions From Committee Members and Responses:

Senator Koehnke asked Ms. Fleming who would decide what drugs were to be posted. Ms. Fleming stated the Board of Pharmacy would decide on which drugs were to be listed.

Senator Koehnke asked Mr. Bertelson how the list of prices would be prepared. Mr. Bertelson stated a list would be prepared and then submitted to the pharmacies who would then write in their prices on the drugs.

Senator Gage asked Representative Harper how often the board would meet to decide which drugs were to be posted. Representative Harper stated there will only be one hearing.

Senator Gage asked Senator Kennedy if the pharmaceutical manufacturers supply retail prices to the pharmacists. Senator Kennedy stated the retail prices were determined by wholesale prices by individual pharmacies.

Senator Gage stated HB 422 implied that the pharmaceutical companies dictate the retail prices of prescriptions.

Closing by Sponsor:

Representative Harper closed on HB 422 asking Senator Wilson to carry it on the Senate floor.

HEARING ON SB 354

Opening Statement by Sponsor:

Senator Chris Christiaens, Senate District 18, stated SB 354 would create continuing education programs for insurers. He stated SB 354 would assure that agents are supplied with the skills and knowledge necessary to properly advise and serve the consumers. He stated the fiscal note shows the programs will be paid for through fees to the agents.

Proponents' Testimony:

Mark O'Keefe, State Auditor and Insurance Commissioner, stated SB 354 had been formulated to provide protection for the insurance people and the consumers. He stated SB 354 would supply continuing education regulations which would comply with the laws in 40 other states. Mr. O'Keefe stated SB 354 would standardize

ROLL CALL

SENATE COMMITTEE Business and Industry DATE 3/25/93

NAME	PRESENT	ABSENT	EXCUSED
Senator Lynch	✓		
Senator Christiaens	✓		
Senator Brenden	✓		
Senator Gage	✓		
Senator Hager	✓		✓
Senator Harding	✓		
Senator Kennedy	✓		
Senator Klampe	✓		
Senator Koehnke	✓		
Senator Mesaros	✓		
Senator Rea			
Senator Bruski-Maus	✓		
Senator Wilson	✓		

Montana Senior Citizens Assn., Inc.

WITH AFFILIATED CHAPTERS THROUGHOUT THE STATE

P.O. BOX 423 - HELENA, MONTANA 59624

(406) 443-5341

③

TESTIMONY OF LLOYD ANDERSON
HEARD BEFORE (S) BUSINESS AND INDUSTRY
MARCH 25, 1993

Mr. Chairman and members of the committee, my name is Lloyd Anderson. I am president of district 8 for the Montana Senior Citizen Association. I would like to talk about why I am supporting HB 355.

About two years ago, I was having a hard time getting over an illness. Unable to get an appointment with my regular doctor, I made an appointment with a new doctor. The new doctor looked over my medicines and found I was taking a combination of drugs that were dangerous to mix together. Once I was informed by the doctor of the dangerous combination I was taking, I asked my pharmacist about the problem, and he offered no explanation of why he did not inform me of this dangerous mix.

Shortly after this episode, the Helena chapter of MSCA began our prescription drug campaign. I found I could save $15.00 on one prescription by changing pharmacies. After discovering the price differences between pharmacies in Helena, we asked the pharmacies to post their prices.

SENATE BUSINESS & INDUSTRY
EXHIBIT NO. 1
3/25/93
DATE NO HB 355

I personally asked the pharmacist at Gibsons six times to post his prices. He gave me the run around five times, and the sixth time he said "NO."

My experience is not the exception but the rule. The members in Helena asked every pharmacy in town to post their prices on the twenty most commonly prescribed drugs they sell, and all said no.

The current form of the bill is not what we originally intended, but we are willing to work with the board of pharmacy. Posting of prescription drug prices is necessary for making informed decisions when choosing what pharmacy to do business with.

Thank you Mr. Chairman and members of the Committee.

Montana State Senate

The Big Sky Country

SENATE BUSINESS & INDUSTRY
EXHIBIT NO. 6
DATE 3/25/93
BILL NO. Committee Bill

To: The Board of Pharmacy

From: The Senate Business and Industry Committee

To Whom It May Concern:

It has come to the Committee's attention that a problem exists with respect to the delivery of prescription medicine to persons residing in rural areas. Most rural communities do not have pharmacies, and rural residents must rely on pharmacies in other areas.

The only timely and cost-effective ways to have the prescriptions delivered are by having a person who resides in the rural area obtain prescriptions for different residents of the area and deliver the prescriptions to a central point or by having the prescribing pharmacist deliver the prescriptions to a central point where they can subsequently be obtained by the person using the medication. The problem is that the Board of Pharmacy does not presently allow either alternative described above.

Therefore, the Senate Business and Industry Committee is requesting that the Board of Pharmacy adopt rules to allow for the safe and convenient delivery of prescription medicine in

rural areas. Action by the Board will alleviate the necessity for the 1995 Legislature to adopt specific legislation to address the delivery of medicine in rural areas.

Sincerely,

Senate Business and Industry Committee
53rd Legislative Session

SENATOR J.D. LYNCH, CHAIR

SENATOR CHRIS CHRISTIAENS

SENATOR JOHN BRENDEN

SENATOR BETTY BRUSKI-MAUS

SENATOR DELWYN GAGE

SENATOR TOM HAGER

SENATOR ETHYL HARDING

SENATOR ED KENNEDY

SENATOR TERRY KLAMPE

SENATOR FRANCIS KOEHNKE

SENATOR KENNETH MESAROS

SENATOR JACK "DOC" REA

SENATOR WILLIAM WILSON

DATE 3/25/93

SENATE COMMITTEE ON Business and Industry

BILLS BEING HEARD TODAY: HB 355, SB 354, SB 430

Name	Representing	Bill No.	Check One: Support	Oppose
Floyd Gudeman	MSCA	~~355~~	✓	
TOM RYAN	MSCA- RETIRED TEACHERS	355	✓	
Eunice Eckhardt	MSCA	355	✓	
Jennie Costy	MSCA	355	✓	
Margaret Fleming	WARFE, MSCA	355	✓	
Norma Bartholomew	Legislative Council	355	✓	
Marie Cassidy	WARFE MSCA	355	✓	
Tom Hopgood	Health Ins. Assoc	430	✓	
Bud Lovitt	MT. Med. Assn	355	✓	
Dan Allen	A Citizen's Private Perspective	355	X	
Craig Lowe	MLTC	355	✓	
Christian MacKay	MTHS for Universal Health Care	355	✓	
[illegible]	MT Land Title Assn	HB430 SB354	✓	
[illegible]	St Auditor	354, 430	✓	
[illegible]	Professional Ins. Agts of MT	354 430+	✓	
[illegible]	~~MT Land Title Assn SB354~~			

VISITOR REGISTER

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

F10

DATE 3/25/93

SENATE COMMITTEE ON Business and Industry

BILLS BEING HEARD TODAY: _____

Name	Representing	Bill No.	Check One: Support	Oppose
Roger Mahlen	IIAM	354 430	✓	
LARRY AKEY	MT ASSOC OF LIFE UNDERWRITERS	354 430	✓	
Jacqueline Lenmark	Am. Ins. Assoc.	430	✓	
JIM ET KINSEY	MSCA Gold Nuggets etc - MLIC	355	✓	
Martha B. McLeer	MSCA-Nuggets	355	✓	
Lynn Smith	MSCA Gt Falls	355	✓	
Thomas R Chestnut	Pres. NAPFE Chpt 107	355	✓	
Bill Olson	AARP	354 355 430	✓	
Robert Mc-Lee	MSCA	355	✓	
ROBERT W. MINTO, JR.	ALPS	430	✓	
GARY D. KNOPP	Ins. Institute	354	✓	
MARK E NELSON	St Auditor / Ins Dept	354 430	✓ ✓	
Bill Johnson	Blue Cross Blue Shield	430	✓	

VISITOR REGISTER

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

F10

Motion/Vote:

Senator Christiaens moved HB 94 BE CONCURRED IN AS AMENDED. The motion CARRIED UNANIMOUSLY.

EXECUTIVE ACTION ON HB 305

Motion:

Senator Klampe moved HB 305 BE CONCURRED IN.

Discussion:

Senator Lynch stated he opposed HB 305 because it was unnecessary.

Senator Brenden stated he opposed HB 305 because the industry is already regulated. He added that if the industry was deregulated, there should be a time frame for the people who have paid the $20,000 licensing fees to get their money back.

Vote:

The motion FAILED on ROLL CALL VOTE.

Motion/Vote:

Senator Wilson moved HB 305 BE TABLED. The motion CARRIED UNANIMOUSLY.

EXECUTIVE ACTION ON HB 355

Motion:

Senator Wilson moved HB 355 BE CONCURRED IN.

Discussion:

Senator Gage stated he felt the second "whereas" made it sound as though the pharmaceutical manufacturers were controlling the retail prices of drugs.

Senator Klampe asked Senator Kennedy if he favored HB 355. Senator Kennedy stated he did.

Senator Klampe asked Senator Kennedy if pharmacies would use their list of posted drug prices as "loss leaders" to attract business and increase the cost of their other drugs. Senator Kennedy stated a pharmacy could do that, but HB 355 would allow for competition on the 20 most widely used drugs.

Senator Klampe stated he felt the posting of price lists would reach into every profession which was "absurd".

Senator Lynch stated HB 355 would set a precedence, and added if it expanded into other professions, it would benefit the consumer.

Senator Klampe stated he could not see how the price lists would help the senior citizens because they are not mobile enough to get around town to look at the different price lists.

Senator Lynch stated HB 355 was not a cure-all, but would remedy some of the problems associated with health care costs.

Senator Rea asked Senator Kennedy about the difference in prices between the generic and national brands. Senator Kennedy stated HB 335 would require both prices be on the list.

Senator Kennedy stated the second "whereas" was necessary to make the public aware that the pharmacists do not price drugs solely on their own.

Senator Harding stated she felt HB 355 was a good idea for senior citizens because it gives them the ability to shop around.

Senator Kennedy stated there are various quantities of drugs which can be prescribed and added there is a standard quantity listed in HB 355.

Senator Rea asked if there was such a thing as a quantity discount and if the pharmacies will be able to keep up with the price changes. Senator Kennedy stated the pharmacists are willing to do the work necessary to enforce HB 355.

Vote:

The motion CARRIED 10 to 2 with Senator Klampe and Senator Gage voting NO.

EXECUTIVE ACTION ON HB 394

Discussion:

Senator Christiaens asked Terry Perigo from the LFA to explain HB 394.

Informational Testimony:

Terry Perigo, Legislative Fiscal Analyst Office (LFA), stated the Montana Science and Technology Alliance (MSTA) has been funded through general funds. She stated the Natural Resources and Commerce Subcommittee added language which would amend HB 2 to

SENATE STANDING COMMITTEE REPORT

March 26, 1993

MR. PRESIDENT:

We, your committee on Business and Industry having had under consideration House Bill No. 355 (third reading copy -- blue), respectfully report that House Bill No. 355 be concurred in.

Signed: _____
Senator John "J.D." Lynch, Chair

M - Amd. Coord.
Sec. of Senate

Kennedy
Senator Carrying Bill

681225SC.Sma

ROLL CALL VOTE

SENATE COMMITTEE Business and Industry BILL NO. HB 3005

DATE 3/26/93 TIME 10:00 (A.M.) P.M.

NAME	YES	NO
Senator Gage		✓
Senator Hager		
Senator Harding		✓
Senator Mesaros		✓
Senator Brenden		✓
Senator Wilson		✓
Senator Rea	✓	
Senator Klampe	✓	
Senator Koehnke		✓
Senator Bruski-Maus		✓
Senator Kennedy		✓
Senator Christiaens		✓
Senator Lynch		✓

Kristine Wolter
SECRETARY

J. D. Lynch
CHAIR

MOTION: Be Concurred In